

It is the duty of each distributor to collect the tax from the retailer at or before the time of the sale, to affix the required stamps and to remit the tax collected from retailers to the Department. See 86 Ill. Adm. Code 440.10. (This is a GIL).

October 3, 2000

Dear Xxxxx:

This letter is in response to your letter dated September 29, 2000. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), which can be found on the Department's Web site at www.revenue.state.il.us/legalinformation/regs/part1200.

In your letter, you have stated and made inquiry as follows:

In response to our telephone conversation on Sept. 28, 2000, please submit in writing that it is not illegal to affix the Illinois cigarette tax stamp onto cigarettes that already have another states tax stamp affixed to the package. Please fax the document at your earliest convenience.

Under the Cigarette Tax Act ("Act"), a tax is imposed upon any person who exercises the privilege of engaging in business as a retailer of cigarettes in this State. See 86 Ill. Adm. Code 440.10. Payment of the tax shall be evidenced by a stamp affixed to each original package of cigarettes. See 86 Ill. Adm. Code 440.20. It is the duty of each distributor to collect the tax from the retailer at or before the time of the sale, to affix the required stamps and to remit the tax collected from retailers to the Department. See 86 Ill. Adm. Code 440.10.

There is no express prohibition in the Act with regard to affixing Illinois tax stamps to original packages that possess the tax stamp of another state. So long as the payment of tax under the Act is evidenced by an Illinois tax stamp affixed to each original package of cigarettes, distributors are in compliance with the Act.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Gina Roccaforte
Associate Counsel

GR:msk
Enc.